



State of Wisconsin

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STEPHEN R. MILLER
CHIEF

April 3, 2009

MEMORANDUM

To: Senator Plale

From: Eric V. Mueller, Legislative Attorney, (608) 261-7032

Subject: Technical Memorandum to **2009 SB 131** (LRB-0223/1) by **DOR**

We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

M E M O R A N D U M

April 2, 2009

TO: Eric V. Mueller
Legislative Reference Bureau

FROM: Paul Ziegler
Department of Revenue

SUBJECT: Technical Memorandum on SB 131 Regarding Authorizing the Cities of Cudahy and Oak Creek to Use Environmental Remediation Tax Increments Generated by One Environmental Tax Incremental District to Benefit Another Environmental Tax Increment District

The Department of Revenue has some concerns regarding the environmental remediation tax incremental districts (ERTIDs) mentioned in this bill:

The proposal allows incremental levies from the City of Cudahy ERTID #1, which currently exists, to be used to pay eligible costs of the City of Cudahy ERTID #2, which does not currently exist.

The proposal allows incremental levies from the City of Oak Creek ERTID #1, which does not currently exist, to be used to pay eligible costs for an ERTID in Oak Creek that has not yet been organized.

Because the recipient ERTID in Cudahy does not yet exist, and since both the donor and recipient ERTIDs in Oak Creek do not exist, the proposal may not achieve its desired intent or may be premature. General language, such as contained in SB 144, may be preferable.

If you have any questions regarding these comments, please contact Daniel Huegel at (608) 266-5705.

cc: Senator Jeff Plale